

**MINUTES OF A STUDY SESSION OF THE PRINCETON CITY COUNCIL HELD ON
NOVEMBER 6, 2008, 4:30 P.M. IN THE CITY HALL COUNCIL CHAMBERS**

Mayor Riddle called the meeting to order. Council members present were Mayor Jeremy Riddle and Councilors Paul Whitcomb, Dick Dobson, Lee Steinbrecher, and Victoria Hallin. Staff present was Mark Karnowski, Steve Jackson, Jay Blake, Tom Mismash, Brian Payne, Nancy Campbell, Jim Roxbury, and Ann Bien.

PHOSPHORUS TRADING AGREEMENT CONSIDERATION

Karnowski presented an agreement between the City, the Met Council's Environmental Services Division (MCES), and the Minnesota Pollution Control Agency (MPCA) allowing the City to operate an expanded WWTP that will discharge treated effluent into the Rum River. The agreement "borrows" 5,000 pounds of phosphorus removal currently being done by the MCES WWTP and transfers that amount as a credit for Princeton's proposed WWTP. In exchange, the City agrees to take the necessary measure to reduce the amount of non-point phosphorus being discharged into the Rum River by 10,000 pounds per year. The effective date of the agreement is 45 days after the MPCA approves the trade agreement, the MPCA approves the Met Council's and City's NPDES/SDS permits. If those events do not occur prior to June 30, 2009, the agreement becomes null and void.

DOBSON MOVED TO APPROVE THE PHOSPHORUS AGREEMENT WITH THE MET COUNCIL'S ENVIRONMENTAL SERVICES DIVISION (MCES) AND MINNESOTA POLLUTION CONTROL AGENCY (MPCA) AS PRESENTED. HALLIN SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

RESOLUTION #08-34, AUTHORIZING THE MODIFICATION OF THE JOBZ ZONE

Blake explained Resolution #08-34 is the last requirement the City has to submit to modify it's Job Z zone.

HALLIN MOVED TO APPROVE RESOLUTION #08-34, A RESOLUTION AUTHORIZING THE MODIFICATION OF THE JOB Z ZONE IN PRINCETON, MINNESOTA, COUNTY OF MILLE LACS, STATE OF MINNESOTA. STEINBRECHER SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

PUBLIC WORKS – APPROVAL TO SELL 1995 DODGE DAKOTA

Mismash explained the 1995 Dodge Dakota was a confiscated vehicle by the Police Department. The City has already put about \$4,000 into it for repairs and now the fuel pump needs to be replace. He stated the value of the vehicle is not worth the additional cost.

STEINBRECHER MOVED TO APPROVE THE SALE OF THE 1995 DODGE DAKOTA. HALLIN SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

DONATION REQUEST

Karnowski reported a donation request was received asking for funds to help renovate the home of Benjamin Wood to allow him to be taken care of at home. He stated the application does not appear to meet the City's criteria, although the applicant felt that it did. He stated the concern of staff is making contributions to single individuals. Dobson reminded the Council that the Ed Kingsley benefit was denied.

WHITCOMB MOVED TO DENY THE REQUEST FOR A DONATION TO THE BENJAMIN WOOD BENEFIT. DOBSON SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

LOCAL BOARD OF APPEAL AND EQUALIZATION (LBAE) TRAINING

Karnowski reported Sherburne County is setting up a date for Local Board of Appeal and Equalization training. He stated in order to qualify the 2009 LBAE, at least one member must be certified. Dobson and Hallin stated they are going to try to attend the November 13th training in Benton County.

CANVASS CITY VOTES

The Council reviewed the tally from the 2008 general election. Regarding the City election, Jeremy Riddle was elected mayor, and Dick Dobson and Victoria Hallin were re-elected councilors.

WHITCOMB MOVED TO CERTIFY THE ELECTION RESULTS FOR THE 2008 GENERAL ELECTION. HALLIN SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

JASON BAUMUNK, STEP 4 INCREASE TO \$19.97 EFF. 10-12-08

Karnowski explained Jason Baumunk's annual increase was held because he hadn't renewed his WWTP license. He stated Baumunk took the test two years ago and passed, but the fee was not mailed to PCA at that time so the permit was not issued. The fee has now been mailed to PCA and staff is recommending the effective date be his anniversary date.

STEINBRECHER MOVED TO APPROVE THE STEP 4 INCREASE TO \$19.97 FOR JASON BAUMUNK EFFECTIVE OCTOBER 12, 2008. HALLIN SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

BILL LIST - \$245,342.18

HALLIN MOVED TO APPROVE MANUAL CHECKS NUMBERING 59606-59607 FOR A TOTAL OF \$107,010.43 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST, WHICH WILL BE CHECKS NUMBERING 59675-59761, FOR A TOTAL OF \$138,331.75 AS SHOWN ON THE BILL LIST. DOBSON SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

CONTINUED 2009 BUDGET DISCUSSION

Jackson reviewed two levy analysis scenarios – one showing a preliminary levy increase and the other showing no general fund tax increase. He pointed out the estimated tax capacity shows an increase of 5.36%.

He then reviewed Revenue detail. He noted one big change is revenue from building permits, which 2008 Revised is down \$45,000 from what was adopted (\$75,000 vs. \$30,000).

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The proposed department budgets were then reviewed and Jackson commended the department heads for keeping their budgets to a minimum. He stated the department heads took earlier discussions to heart and looked at the remainder of 2008 and 2009 and tried to make cuts or at least hold the line. He stated the budget proposal is at status quo for 2009. He also added this does not put the City in a good position to respond to any unforeseen expenditures and LGA cuts.

Riddle asked if personnel cuts are included. Jackson answered no, but stated retirement replacement could be looked at or cuts could be made if necessary at a later date.

Jackson stated the biggest concern is LGA cuts, and encouraged the Council and staff to contact our elected officials.

IT WAS THE CONSENSUS TO PROCEED WITH NO GENERAL FUND TAX INCREASE.

There being no further business, HALLIN MOVED TO ADJOURN AT 5:30 P.M. DOBSON SECONDED THE MOTION. ON THE VOTE: AYES - 5; NAYS - 0. THE MOTION CARRIED UNANIMOUSLY.

Respectfully Submitted,

Ann Bien, Deputy City Clerk

ATTEST:

Jeremy Riddle, Mayor